



# PSC NEWS

## Missouri Public Service Commission

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### **NATURAL GAS RATES TO CHANGE FOR AQUILA, INC. d/b/a AQUILA NETWORKS-MPS UNDER SCHEDULED WINTER NATURAL GAS FILING**

Jefferson City (November 18, 2004)----To primarily reflect estimated changes in the cost of natural gas for the winter season, Northern System natural gas customers of Aquila, Inc. d/b/a Aquila Networks-MPS will experience an increase in natural gas rates under a filing reviewed and accepted by the Missouri Public Service Commission. This rate change, which will take effect on November 20, 2004, is interim subject to refund.

A residential customer currently pays \$0.72799 per Ccf (100 cubic feet of gas). Under this filing, the rate will increase to \$0.84443 per Ccf, an increase of approximately 11.6 cents per Ccf. The effect on a residential customer using 888 Ccf's during the winter season (November through March) is an increase of approximately \$103 (total for the five month period) when compared to the rates currently in effect.

Approximately 65% to 80% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. **The wholesale cost of natural gas** (the cost the local natural gas company must pay to its suppliers for natural gas) **is not regulated by the Missouri Public Service Commission.** The wellhead cost of natural gas is unregulated and is primarily driven by supply, demand and the weather. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.

Aquila, Inc. d/b/a Aquila Networks-MPS serves approximately 11,200 natural gas customers in its Northern System which includes the Missouri counties of Livingston, Grundy, Chariton, Howard and Linn.

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